

Designation Run Report

# Elkins, Nathan - Plaintiffs' Submission

---

Elkins, Nathan 11-14-2018

---

**Plaintiffs Affirmative Designations 00:12:44**

Plaintiffs Counter Counters 00:01:35

**Defense Completeness Counters 00:06:42**

---

Total Time 00:21:02



## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
9:14 - 9:18	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b> 9:14 Q. Good morning, Mr. Elkins. 9:15 My name is Scott Simmer, we just met a 9:16 moment ago. I'm going to be asking you 9:17 some questions today on behalf of the 9:18 plaintiffs in the opioid litigation.	NE06.1
11:03 - 11:09	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b> 11:3 Q. And you understand you must 11:4 answer truthfully, correct? 11:5 A. Correct. 11:6 Q. And that there are penalties 11:7 for answering -- failing to answer a 11:8 question truthfully, right? 11:9 A. Correct.	NE06.2
11:21 - 11:24	<b>Elkins, Nathan 11-14-2018 (00:00:05)</b> 11:21 Q. Is there any reason why you 11:22 cannot testify truthfully and accurately 11:23 today? 11:24 A. No, sir.	NE06.3
24:06 - 24:12	<b>Elkins, Nathan 11-14-2018 (00:00:15)</b> 24:6 Q. I'll hand you what we marked 24:7 as Exhibit-1. 24:8 I'll identify it for the 24:9 record as a LinkedIn page, which I think 24:10 is one that's yours. 24:11 Can you review that and see 24:12 if that is, indeed, your LinkedIn page?	NE06.4 P-44583_1.1
24:13 - 24:19	<b>Elkins, Nathan 11-14-2018 (00:00:18)</b> 24:13 A. That's me. Yes, sir. 24:14 Q. And the content on this is 24:15 content that you created? 24:16 A. Some content I created, some 24:17 I got from the job description and put 24:18 within my roles within the company. But, 24:19 yes, I crafted this profile.	NE06.5 P-44583_1.1.2
26:13 - 27:05	<b>Elkins, Nathan 11-14-2018 (00:00:38)</b> 26:13 Q. Your 26:14 first job post-high school, what was 26:15 that? 26:16 A. So I was a retail car	NE06.6 clear

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
26:17 salesman at a dealership that's no longer 26:18 in business in 1996. 26:19 Q. And where is that? 26:20 A. Richmond, Kentucky. 26:21 Q. How long did you work there? 26:22 A. Approximately five, six 26:23 years. 26:24 Q. And what was your next job? 27:1 A. It was another dealership. 27:2 Basically, I was in the car business up 27:3 until the time that I started with 27:4 AmerisourceBergen, from May '96 until 27:5 August 21st, 2005.		
27:14 - 28:13 <b>Elkins, Nathan 11-14-2018 (00:01:03)</b>		NE06.7
27:14 Q. How did you hear about the 27:15 position at AmerisourceBergen? 27:16 A. So one of my neighbors was 27:17 building a team, which was my district 27:18 director. I applied, interviewed, and I 27:19 got hired for the retail account manager 27:20 job and started August 22nd, 2005. 27:21 Q. Can you describe your 27:22 responsibilities as a retail account 27:23 manager? 27:24 A. Yes. So, I mean, basically, 28:1 retain accounts; get new accounts; 28:2 provide solutions so that way our 28:3 customers have a win/win scenario; and 28:4 manage a territory in a certain 28:5 geography, which was Central and Eastern 28:6 Kentucky. 28:7 Q. What do you do to -- what 28:8 did you do in that job to retain 28:9 accounts? 28:10 A. Vendor agreements, buying 28:11 group relationships, solutions to keep 28:12 them in business. You know -- that's all 28:13 I can think of right now.		
29:11 - 29:21 <b>Elkins, Nathan 11-14-2018 (00:00:22)</b>		NE06.8
29:11 Q. And you also mentioned		

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	29:12 solutions to keep them in business. 29:13 What is that? 29:14 A. Yeah, so we have solutions 29:15 to help independent pharmacies, you know, 29:16 manage their business, such as business 29:17 coaching, Good Neighbor Pharmacy, 29:18 different solutions that we have that 29:19 separates us from our competition and 29:20 helps our customers stay profitable and 29:21 from selling to chains.	
36:09 - 36:13	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.9 P-44583_1.1.3
	36:9 Q. It says you managed a team 36:10 of six sales executives covering 10,000 36:11 accounts, correct? 36:12 A. It should say 1,000 36:13 accounts, roughly. I have to look.	
36:14 - 36:19	<b>Elkins, Nathan 11-14-2018 (00:00:09)</b>	NE06.10
	36:14 Q. It is 1,000. I'm sorry. 36:15 A. Is it? Okay. 36:16 Q. Typo on our part. 36:17 Is that correct, 1,000 36:18 accounts? 36:19 A. Yes, roughly.	
60:09 - 60:10	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b>	NE06.11 P-966_1.1
	60:9 Q. I'll hand you what we've 60:10 marked as Exhibit-3. I'll identify it	
60:11 - 60:15	<b>Elkins, Nathan 11-14-2018 (00:00:24)</b>	NE06.12 P-966_1.1.1
	60:11 for the record as an e-mail dated April 60:12 11, 2018, Bates number ending 32740 -- 60:13 it's cut off, I think it's 40, and 60:14 attached a prime vendor agreement. 60:15 Can you please review that?	
60:16 - 60:17	<b>Elkins, Nathan 11-14-2018 (00:00:05)</b>	NE06.13 P-966_1.3.1
	60:16 I'll correct that, it's 60:17 Bates ending 327460.	
62:02 - 62:05	<b>Elkins, Nathan 11-14-2018 (00:00:12)</b>	NE06.14
	62:2 Would a pharmacy that wanted 62:3 to receive goods from AmerisourceBergen 62:4 be required to sign a prime vendor 62:5 agreement?	

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
62:08 - 62:23	<b>Elkins, Nathan 11-14-2018 (00:00:27)</b> 62:8 THE WITNESS: We had buying 62:9 group relationships. And the 62:10 buying group -- if an independent 62:11 pharmacy belongs to a buying 62:12 group, the buying group does it on 62:13 their behalf. 62:14 Some do have prime vendors, 62:15 some don't. It depends on what, 62:16 you know, buying group you're 62:17 speaking of. 62:18 Outside of the buying group, 62:19 we have customers that don't have 62:20 prime vendor agreements. But it's 62:21 a common practice that we try to 62:22 get a prime vendor agreement with 62:23 customers on a consistent basis.	NE06.15
77:05 - 77:07	<b>Elkins, Nathan 11-14-2018 (00:00:07)</b> 77:5 Q. And the higher tier you're 77:6 in, the greater your price of goods 77:7 discount is, right?	NE06.16 P-966_1.3.1
77:10 - 77:12	<b>Elkins, Nathan 11-14-2018 (00:00:04)</b> 77:10 THE WITNESS: Yeah, the 77:11 higher the volume, the more 77:12 aggressive the discount is.	NE06.17
77:14 - 77:17	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b> 77:14 Q. And that's true of all 77:15 products other than special price goods 77:16 or C-II's, it says in the first line of 77:17 Paragraph 2, right?	NE06.18 P-966_1.3.3
77:20 - 77:20	<b>Elkins, Nathan 11-14-2018 (00:00:01)</b> 77:20 THE WITNESS: Yes.	NE06.19
80:04 - 80:07	<b>Elkins, Nathan 11-14-2018 (00:00:06)</b> 80:4 Q. So the more the pharmacy 80:5 purchases, the greater the likelihood 80:6 they're going to get a higher percentage 80:7 discount, right?	NE06.20 clear
80:10 - 80:13	<b>Elkins, Nathan 11-14-2018 (00:00:05)</b> 80:10 THE WITNESS: In our 80:11 industry, that's how it's always	NE06.21

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
116:05 - 116:12	<p>80:12 been, the more you buy, the better  80:13 discount you get.  <b>Elkins, Nathan 11-14-2018 (00:00:22)</b></p> <p>116:5 Q. Does the sales executive  116:6 have knowledge of the product mix that is  116:7 being ordered by the pharmacy?  116:8 A. No, they don't have  116:9 visibility to the product mix at a given  116:10 pharmacy. The visibility they have is,  116:11 you know, the high level. It doesn't  116:12 break down to controls and percentages --</p>	NE06.22
116:13 - 117:22	<p><b>Elkins, Nathan 11-14-2018 (00:01:12)</b></p> <p>116:13 Q. What's the high level  116:14 visibility that they have?  116:15 A. In The Hub, in the sales  116:16 tab, it shows the total revenue for a  116:17 given account, and that's every dollar  116:18 that that account spends.  116:19 It breaks it down into  116:20 certain categories, like pro-generics,  116:21 OTC purchases, possibly DME and  116:22 specialty. I'm going off memory here.  116:23 But there's no section in  116:24 there where it shows the control  117:1 percentage or mix or anything of that  117:2 nature.  117:3 Q. When you say "control  117:4 percentage," what do you mean?  117:5 A. You said control mix, so, to  117:6 me, that would be control percentage.  117:7 That's how I interpret control mix. I  117:8 think that's how you framed it.  117:9 Q. Well, you used the term  117:10 "control." I'm just trying to  117:11 understand.  117:12 Is that C-IIIs?  117:13 A. Controls, there's more than  117:14 just C-IIIs.  117:15 Q. What do you mean by that,  117:16 then?</p>	NE06.23

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	117:17 A. All right. So controls, 117:18 from my understanding, compliance 117:19 would -- you know, this is their 117:20 department. There are C-IIs, IIIs, IVs 117:21 and Vs that the DEA has deemed in certain 117:22 classes. The DEA sets those guidelines.	
117:23 - 118:03	<b>Elkins, Nathan 11-14-2018 (00:00:12)</b>	NE06.24
	117:23 Q. So you're saying the account 117:24 executives or the sales executives don't 118:1 know what the volume of controlled 118:2 substances that particular pharmacy is 118:3 purchasing, right?	
118:06 - 118:18	<b>Elkins, Nathan 11-14-2018 (00:00:27)</b>	NE06.25
	118:6 THE WITNESS: Based on The 118:7 Hub, no. If a CSRA representative 118:8 were to reach out to them and, you 118:9 know, ask specific questions to 118:10 obtain from the customer through 118:11 either the 590, whatever is given 118:12 back from the customer during that 118:13 particular request, they would 118:14 know that. 118:15 But outside of that, they 118:16 don't have visibility to what 118:17 control mix, however you want to 118:18 frame it.	
119:19 - 119:24	<b>Elkins, Nathan 11-14-2018 (00:00:16)</b>	NE06.26
	119:19 Q. Generally, do the sales 119:20 executives adapt their sales call to the 119:21 particular product mix, as they believe 119:22 it is, for a pharmacy when they're 119:23 calling on a pharmacy? 119:24 A. Not to my knowledge, no.	
120:08 - 120:16	<b>Elkins, Nathan 11-14-2018 (00:00:19)</b>	NE06.27
	120:8 Q. Well, let's just say, for 120:9 example, that a pharmacy is in 120:10 Appalachia, and a number of patients that 120:11 are customers of that pharmacy are 120:12 working in a coal mine. 120:13 Would that be something that	

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
120:19 - 121:04	<p>120:14 an account executive would be aware of  120:15 and take into account, in terms of the  120:16 interactions with that customer?</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:16)</b></p> <p>120:19 THE WITNESS: I think every  120:20 geography's patients are different  120:21 and demographic fits that  120:22 criteria.</p> <p>120:23 So, yes, if you have an  120:24 experienced rep in a geography  121:1 that has experience with their  121:2 customers, they would probably  121:3 have a general idea of what type  121:4 of patients are in that geography.</p>	NE06.28
122:02 - 122:06	<p><b>Elkins, Nathan 11-14-2018 (00:00:10)</b></p> <p>122:2 Q. I guess my question is, in  122:3 the Good Neighbor Pharmacy records, is  122:4 there visibility into the levels or  122:5 numbers of controlled substances that a  122:6 particular pharmacy has purchased?</p>	NE06.73
122:09 - 122:15	<p><b>Elkins, Nathan 11-14-2018 (00:00:08)</b></p> <p>122:9 THE WITNESS: Not to my  122:10 knowledge, no.</p> <p>122:11 BY MR. SIMMER:</p> <p>122:12 Q. How about in the Elevate  122:13 records; is there visibility into the  122:14 levels or numbers of controlled  122:15 substances purchased?</p>	NE06.74
122:18 - 122:19	<p><b>Elkins, Nathan 11-14-2018 (00:00:01)</b></p> <p>122:18 THE WITNESS: Not to my  122:19 knowledge.</p>	NE06.75
124:03 - 124:07	<p><b>Elkins, Nathan 11-14-2018 (00:00:10)</b></p> <p>124:3 Q. Do account managers get paid  124:4 on a commission?</p> <p>124:5 A. Commission is a loose term.</p> <p>124:6 They have a base salary with bonus  124:7 potential.</p>	NE06.29
124:15 - 125:13	<p><b>Elkins, Nathan 11-14-2018 (00:00:51)</b></p> <p>124:15 Q. The sales executives, what's  124:16 the range on the bases that they receive?</p>	NE06.30

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
124:17	A. Base salaries? It varies on	
124:18	market. HR would have to give you those	
124:19	numbers.	
124:20	Q. Well, you certainly know the	
124:21	base salaries for those folks -- those	
124:22	seven folks working for you, right?	
124:23	A. I have an idea. But without	
124:24	looking, I couldn't give you exact.	
125:1	Q. What's your idea?	
125:2	A. It ranges anywhere from 50	
125:3	125:3 to 70 base, depending on geography,	
125:4	125:4 experience.	
125:5	Q. And what's the range on	
125:6	125:6 bonuses?	
125:7	A. So whatever the salary is,	
125:8	125:8 the bonus potential for sales executives	
125:9	125:9 is 35 percent of their salary.	
125:10	Q. Is the bonus based on	
125:11	125:11 hitting certain sales numbers?	
125:12	A. Yes, it's a sales role. So	
125:13	125:13 yes.	
127:24 - 128:01	<b>Elkins, Nathan 11-14-2018 (00:00:04)</b>	NE06.76
127:24	Q. So how are these sales	
128:1	128:1 targets calculated?	
128:04 - 128:21	<b>Elkins, Nathan 11-14-2018 (00:00:37)</b>	NE06.77
128:4	THE WITNESS: The	
128:5	128:5 compensation department would have	
128:6	128:6 to answer that. But, generally,	
128:7	128:7 there's a goal given for the year,	
128:8	128:8 what the company expects a sales	
128:9	128:9 executive, district director, to	
128:10	128:10 obtain of the percentage of the	
128:11	128:11 bonus that's broken down into	
128:12	128:12 categories, each comp year, plan	
128:13	128:13 year -- our fiscal year is October	
128:14	128:14 1st, so it changes every October	
128:15	128:15 1.	
128:16	BY MR. SIMMER:	
128:17	Q. And it's by each account; is	
128:18	128:18 that right?	

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
128:19 - 129:21	128:19 A. It's a number that -- for 128:20 the entire geography or territory or 128:21 district.	
128:22 - 129:11	<b>Elkins, Nathan 11-14-2018 (00:00:24)</b> 128:22 Q. So every sales director -- 128:23 sales executive has a sales target, 128:24 correct? 129:1 A. Yes. 129:2 Q. And then you, as a sales 129:3 director, have targets, which is the 129:4 aggregate of the people working under 129:5 you, right? 129:6 A. Correct. 129:7 Q. And then the person above 129:8 you, I think you said that was a regional 129:9 director, also has a target, right? 129:10 A. The vice president, yes. It 129:11 all rolls up.	NE06.31
131:06 - 132:03	<b>Elkins, Nathan 11-14-2018 (00:00:55)</b> 131:6 Q. And how does exceeding the 131:7 company's goals result in compensation 131:8 for you as a district director? 131:9 A. Obviously, if you hit your 131:10 goal, you make bonus. If you exceed it, 131:11 you make more. Each year is different. 131:12 But, more or less, the higher the number, 131:13 the more you make. 131:14 Q. How do yours differ one to 131:15 the next? 131:16 A. Say that one more time, sir. 131:17 Q. How does -- you said each 131:18 year is different. 131:19 How do the years differ? 131:20 A. TRV is just one portion of 131:21 the bonus for a sales executive or 131:22 district director. There's other metrics 131:23 that make up that 35 percent. TRV is one 131:24 component of that. 132:1 Q. What is TRV? 132:2 A. Total revenue. It's an	NE06.32

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
135:18 - 135:20	132:3 accounting term. <b>Elkins, Nathan 11-14-2018 (00:00:06)</b>	NE06.33
	135:18 Q. So what would happen if an 135:19 account manager, on a regular basis, 135:20 failed to meet his or her sales quotas?	
135:23 - 136:06	<b>Elkins, Nathan 11-14-2018 (00:00:16)</b>	NE06.34
	135:23 THE WITNESS: I believe that 135:24 is situational. Obviously, we all 136:1 want to be successful. But I 136:2 think there's certain things that 136:3 do happen over time that, you 136:4 know, is excusable. But, you 136:5 know, the standards practice is we 136:6 want to meet sales goals.	
136:08 - 136:12	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.35
	136:8 Q. At a minimum, we know that 136:9 if a sales representative did not meet 136:10 the quotas, that would impact their -- 136:11 the bonus for that year, right?	
	136:12 A. There would be --	
136:15 - 136:16	<b>Elkins, Nathan 11-14-2018 (00:00:02)</b>	NE06.36
	136:15 THE WITNESS: There would be 136:16 a financial impact, yes.	
141:04 - 141:08	<b>Elkins, Nathan 11-14-2018 (00:00:09)</b>	NE06.37
	141:4 Q. And a big part of the 141:5 success for account managers is to keep 141:6 the customers happy, right?	
	141:7 A. It's part of the customer 141:8 experience.	
141:09 - 141:15	<b>Elkins, Nathan 11-14-2018 (00:00:15)</b>	NE06.38
	141:9 Q. So a big part of what these 141:10 account managers are doing is servicing 141:11 the customers to make sure that they stay 141:12 with AmerisourceBergen, right?	
	141:13 A. Yes. We want to retain our 141:14 existing customers and, you know, 141:15 prospect new customers.	
152:01 - 152:03	<b>Elkins, Nathan 11-14-2018 (00:00:06)</b>	NE06.39
	152:1 Q. Are sales executives 152:2 compensated for reporting pharmacies	

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
152:06 - 152:15	<p>152:3 where diversion might be taking place?</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:23)</b></p> <p>152:6 THE WITNESS: Compensated is  152:7 a loose word. If they report a  152:8 pharmacy, they are doing a part of  152:9 their job description, being aware  152:10 of red flags, potential red flags  152:11 at the customer level.  152:12 But compensated, there's not  152:13 a bonus for them to do it or not  152:14 do it. It's just part of what we  152:15 do as our responsibility.</p>	NE06.40
152:17 - 153:01	<p><b>Elkins, Nathan 11-14-2018 (00:00:21)</b></p> <p>152:17 Q. This is actually part of the  152:18 job description for the sales executives?  152:19 A. I am not sure if it's in the  152:20 job description. But the compliance  152:21 training that we've all had in  152:22 E-learnings, and other formats, includes,  152:23 you know, what our role is at the  152:24 customer level and what our sales team  153:1 should be doing.</p>	NE06.41
158:16 - 158:20	<p><b>Elkins, Nathan 11-14-2018 (00:00:11)</b></p> <p>158:16 Q. So if AmerisourceBergen  158:17 terminates a contract with a pharmacy  158:18 because of suspicious orders, does that  158:19 reduce the account manager's sales goals  158:20 accordingly?</p>	NE06.42
158:23 - 159:17	<p><b>Elkins, Nathan 11-14-2018 (00:00:38)</b></p> <p>158:23 THE WITNESS: Again, we're  158:24 talking about a wide time frame  159:1 here.  159:2 So if I knew exactly what  159:3 time frame you were speaking of,  159:4 there's two answers there.  159:5 As of today, if a customer  159:6 receives a letter from CSRA and  159:7 they leave AmerisourceBergen,  159:8 those accounts are flagged  159:9 non-comp and it does not impact</p>	NE06.43

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	159:10 the sales executive or myself. 159:11 So CSRA does their job, they 159:12 do their due diligence, customer 159:13 leaves us, that goal, or whatever 159:14 the calculation, the quota, I 159:15 think is the word you used, is 159:16 adjusted. It's a net neutral 159:17 impact.	
159:19 - 160:04	<b>Elkins, Nathan 11-14-2018 (00:00:22)</b> 159:19 Q. That change happened when? 159:20 A. Best of my knowledge, 2016, 159:21 FY 2016. 159:22 Q. So that would be October 159:23 1st, 2016? 159:24 A. Yeah. But compensation 160:1 would have to clarify that date for 160:2 certain, because they are the ones that, 160:3 you know, are over all that compensation 160:4 piece.	NE06.44
160:05 - 160:11	<b>Elkins, Nathan 11-14-2018 (00:00:19)</b> 160:5 Q. So the best of your 160:6 recollection, though, since October 1st, 160:7 2016, if AmerisourceBergen terminates a 160:8 pharmacy, a contract with a pharmacy, no 160:9 longer delivers drugs to a pharmacy, that 160:10 would not impact a sales executive's 160:11 bonus compensation, right?	NE06.45
160:14 - 160:15	<b>Elkins, Nathan 11-14-2018 (00:00:03)</b> 160:14 THE WITNESS: Correct. It's 160:15 a net neutral impact.	NE06.46
160:17 - 160:18	<b>Elkins, Nathan 11-14-2018 (00:00:03)</b> 160:17 Q. What was it before that 160:18 change? How did it work?	NE06.47
160:21 - 161:01	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b> 160:21 THE WITNESS: You had your 160:22 overall quota. If a customer was 160:23 to leave, your quota remains the 160:24 same and, you know, the customer 161:1 leaves.	NE06.48
161:03 - 161:05	<b>Elkins, Nathan 11-14-2018 (00:00:04)</b>	NE06.49

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	161:3 Q. They could lose some of 161:4 their bonus compensation, right? 161:5 A. Yeah. It was -- <b>Elkins, Nathan 11-14-2018 (00:00:01)</b>	NE06.50
161:10 - 161:15	161:8 THE WITNESS: Yes. <b>Elkins, Nathan 11-14-2018 (00:00:16)</b> 161:10 Q. So that if the company 161:11 terminated a contract with a particular 161:12 pharmacy because of diversion, that money 161:13 went away and that bonus potential went 161:14 away for the sales executive as well, 161:15 right?	NE06.51
161:18 - 162:06	<b>Elkins, Nathan 11-14-2018 (00:00:24)</b> 161:18 THE WITNESS: The word 161:19 diversion is very loose. The 161:20 company made a decision to, 161:21 whatever, CSRA sends out the 161:22 communication. A lot of times we 161:23 don't even know what that 161:24 communication is, or are even 162:1 copied on it. 162:2 But the customer leaves. 162:3 Then the goal remains the same, 162:4 we're expected to achieve the 162:5 goal. There was no adjustments 162:6 made, to my knowledge.	NE06.52
162:08 - 162:12	<b>Elkins, Nathan 11-14-2018 (00:00:12)</b> 162:8 Q. And had that been the case 162:9 since you started in 2005, that if a 162:10 customer leaves because of CSRA, as you 162:11 call it, that your goal remained the 162:12 same?	NE06.53
162:15 - 162:16	<b>Elkins, Nathan 11-14-2018 (00:00:02)</b> 162:15 THE WITNESS: That's the way 162:16 I recall it.	NE06.54
162:18 - 162:22	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b> 162:18 Q. And did it remain the same 162:19 when you became a sales executive in 162:20 2011, that if a customer left because of 162:21 CSRA concerns, that your goal remained	NE06.55

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
163:01 - 163:02	162:22 the same? <b>Elkins, Nathan 11-14-2018 (00:00:02)</b>	NE06.56
163:03 - 163:07	163:1 THE WITNESS: That's the way 163:2 I understand it. <b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.78
163:10 - 163:14	163:3 BY MR. SIMMER: 163:4 Q. And then when you became a 163:5 district director in 2013 until October 163:6 1st, 2016, that was still the same during 163:7 that time period as well, right? <b>Elkins, Nathan 11-14-2018 (00:00:08)</b>	NE06.79
165:09 - 165:12	163:10 THE WITNESS: If 163:11 compensation clarifies that 163:12 October 1st, 2016 date, yes; 163:13 whatever the date the compensation 163:14 clarifies up until that point. <b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.57
165:15 - 165:21	165:9 Q. So if an account closes 165:10 because of a CSRA issue, isn't it correct 165:11 that would make it harder for a sales 165:12 team to reach its sales goal? <b>Elkins, Nathan 11-14-2018 (00:00:08)</b>	NE06.58
165:22 - 166:02	165:15 THE WITNESS: In today's 165:16 environment, there's no impact. 165:17 Prior -- 165:18 BY MR. SIMMER: 165:19 Q. In the prior environment? 165:20 A. Prior to that change, yes, 165:21 you would have to make it up somehow. <b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.59
166:05 - 166:11	165:22 Q. Do you recall sales 165:23 executives or account managers 165:24 complaining that if they lose an account 166:1 because of a CSRA issue, they were still 166:2 required to meet the same sales goals? <b>Elkins, Nathan 11-14-2018 (00:00:12)</b>	NE06.60
	166:5 THE WITNESS: I don't recall 166:6 complaining. I mean, I think any 166:7 salesperson doesn't want to lose 166:8 an account. But I have full	

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	166:9 confidence that we don't want to 166:10 have customers that aren't doing 166:11 the right thing.	
185:10 - 185:16	<b>Elkins, Nathan 11-14-2018 (00:00:14)</b> 185:10 Q. As part of your job 185:11 function, do you do performance reviews? 185:12 A. Yes, annually. Annually. 185:13 Q. You don't do quarterly 185:14 reviews? 185:15 A. We do mid-year as well, but 185:16 the official one is annual reviews.	NE06.61
187:12 - 187:15	<b>Elkins, Nathan 11-14-2018 (00:00:12)</b> 187:12 Q. As part of the performance 187:13 review, is there also a review of whether 187:14 the particular employee met the company's 187:15 compliance obligations?	NE06.62
187:18 - 187:19	<b>Elkins, Nathan 11-14-2018 (00:00:03)</b> 187:18 THE WITNESS: I don't recall 187:19 that being part of that process.	NE06.63
209:11 - 209:23	<b>Elkins, Nathan 11-14-2018 (00:00:20)</b> 209:11 Q. So that's a note you put in 209:12 the record to just make sure you 209:13 understand why that particular customer 209:14 left, right? 209:15 A. Yeah. Our job is to retain 209:16 customers. If we lose one, we like to 209:17 know why we lost one and learn from it. 209:18 CSRA, it's a whole different 209:19 bucket. 209:20 Q. And you don't want it to 209:21 account against your goals you have 209:22 either, right? 209:23 A. It did for years.	NE06.64
210:02 - 210:07	<b>Elkins, Nathan 11-14-2018 (00:00:07)</b> 210:2 THE WITNESS: It did for 210:3 years, like we spoke about. 210:4 But at some date it changed 210:5 to where that wasn't supposed 210:6 to -- it was a net neutral change 210:7 for the team.	NE06.65

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
210:09 - 211:15	<p><b>Elkins, Nathan 11-14-2018 (00:01:05)</b></p> <p>210:9 Q. So what was your final 210:10 percent to goal at the end of the fiscal 210:11 year? 210:12 A. March '18. 210:13 94-point-something percent. 210:14 Q. So it's down over where you 210:15 were in 2017? 210:16 I think we looked at your 210:17 LinkedIn page, you were 108 percent in 210:18 2017. And you're below goal this year? 210:19 A. You're talking two different 210:20 metrics. 210:21 Q. Okay. 210:22 A. TRV, total revenue. This is 210:23 premiere points. 210:24 Q. Okay. Is there a total 211:1 score, percent to goal, that you get 211:2 across your entire team for all of these 211:3 metrics? 211:4 A. It's broken up by percentage 211:5 within -- so, for instance, the sales 211:6 executive, we talked about their salary. 211:7 We talked about their bonus potential 211:8 being 35 percent. 211:9 Of that 35 percent, there's 211:10 TRV this year, there's pro-generic 211:11 dollars this year, there's pro-generic 211:12 units this year, there's gross profit 211:13 this year, there's premiere points. So 211:14 that 35 percent is broken up five 211:15 different ways.</p>	NE06.66
213:06 - 213:23	<p><b>Elkins, Nathan 11-14-2018 (00:00:34)</b></p> <p>213:6 Q. I'm sorry. That last part, 213:7 you just said, "if you lose the goal, you 213:8 lose the points with it." 213:9 Can you clarify that, what 213:10 you mean by that? 213:11 A. So there's a goal for that 213:12 account, right. If they're participating</p>	NE06.67

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
	213:13 in solutions, they're getting some credit 213:14 for the points. If the goal goes away, 213:15 you don't get to keep the points with it. 213:16 So it all moves out. 213:17 Q. So if you lose a customer 213:18 due to CSRA issues, you lose their points 213:19 as well, even under the new regime that 213:20 the company has implemented? 213:21 A. That's the way I understand 213:22 it. Compensation can clarify that, but 213:23 that's the way I understood it.	
213:24 - 214:02	<b>Elkins, Nathan 11-14-2018 (00:00:04)</b>	NE06.68
	213:24 Q. It doesn't sound like it's 214:1 compensation neutral if you lose the 214:2 points if you lose the customer?	
214:05 - 214:06	<b>Elkins, Nathan 11-14-2018 (00:00:02)</b>	NE06.69
	214:5 THE WITNESS: Compensation 214:6 would have to answer that.	
214:08 - 214:17	<b>Elkins, Nathan 11-14-2018 (00:00:19)</b>	NE06.70
	214:8 Q. Am I right, though, that it 214:9 looks like you lose points because a 214:10 customer left, you lose your ability to 214:11 meet the goal, too, right? 214:12 A. It depends on an exact 214:13 account's circumstance. I wouldn't say 214:14 that's a generalization, but each account 214:15 is going to be different. 214:16 Q. But you agree with my 214:17 general proposition, right?	
214:20 - 214:20	<b>Elkins, Nathan 11-14-2018 (00:00:01)</b>	NE06.71
	214:20 THE WITNESS: I don't.	
214:22 - 215:16	<b>Elkins, Nathan 11-14-2018 (00:00:33)</b>	NE06.72
	214:22 Q. I'm just going by what you 214:23 said. 214:24 If you lose the points, you 215:1 lose the goal. That's what you said, 215:2 right? 215:3 A. Meaning that if you lose the 215:4 goal, you don't get a double dip and keep 215:5 the points. So it's consistent. If you	

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
215:6	lose the goal, you lose the points.	
215:7	What points a given account	
215:8	has is determined on a given day basis,	
215:9	depending on what program they	
215:10	participate in on that given day.	
215:11	It could be they had two	
215:12	points. It could be they had ten points.	
215:13	I don't know. I would have to have an	
215:14	exact example and compensation would have	
215:15	to look at the exact account to be able	
215:16	to tell you that answer.	

Plaintiffs Affirmative Designations = 00:12:44

Plaintiffs Counter Counters = 00:01:35

Defense Completeness Counters = 00:06:42

**Total Time = 00:21:02**

**Documents Shown**

P-44583\_1

P-966\_1